## DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-570-970]

Multilayered Wood Flooring from the People's Republic of China: Initiation of Antidumping Duty New Shipper Reviews; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce ("Department") has determined that two requests for new shipper reviews of the antidumping duty order on multilayered wood flooring from the People's Republic of China ("PRC") meet the statutory and regulatory requirements for initiation. The period of review ("POR") for these two new shipper reviews is December 1, 2014, through May 31, 2015.

DATES: *Effective Date:* [INSERT DATE OF PUBLICATION IN THE <u>FEDERAL</u> REGISTER.]

FOR FURTHER INFORMATION CONTACT: Maisha Cryor or Robert Galantucci, AD/CVD Operations, Office 4, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-5831 or 202-482-2923, respectively.

SUPPLEMENTARY INFORMATION:

**Background** 

The Department published the antidumping duty order on multilayered wood flooring from the PRC on December 8, 2011.<sup>1</sup> On June 22, 2015, and June 23, 2015, the Department received timely new shipper review requests from Dongtai Zhangshi Wood Industry Co., Ltd. ("Zhangshi") and Huzhou Muyun Wood Co., Ltd. ("Muyun"), respectively, in accordance with section 751(a)(2)(B)(i) of the Tariff Act of 1930, as amended ("the Act"), and 19 CFR 351.214(c).<sup>2</sup>

In their submissions, Zhangshi and Muyun certified that they are both the producers and exporters of the subject merchandise upon which their respective review requests were based.<sup>3</sup> Pursuant to section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i), Zhangshi and Muyun certified that they did not export multilayered wood flooring to the United States during the period of investigation ("POI").<sup>4</sup> In addition, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), Zhangshi and Muyun certified that, since the initiation of the investigation, they have never been affiliated with any producer or exporter that exported multilayered wood flooring to the United States during the POI, including those not individually examined during the investigation.<sup>5</sup> As required by 19 CFR 351.214(b)(2)(iii)(B), Zhangshi and

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<sup>&</sup>lt;sup>1</sup> See Multilayered Wood Flooring from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order, 76 FR 76690 (December 8, 2011) ("Order"), as amended Multilayered Wood Flooring from the People's Republic of China: Amended Antidumping and Countervailing Duty Orders, 77 FR 5484 (February 3, 2012).

<sup>&</sup>lt;sup>2</sup> <u>See</u> Letter from Zhangshi to the Secretary of Commerce "Multilayered Wood Flooring from the People's Republic of China; A-570-970; Request for Antidumping Duty New Shipper Review," dated June 22, 2015 ("Zhangshi Initiation Request"); Letter from Muyun to the Secretary of Commerce "Multilayered Wood Flooring from the People's Republic of China Request for New Shipper Review," dated June 23, 2015 ("Muyun Initiation Request"); Letter from Zhangshi to the Secretary of Commerce "Multilayered Wood Flooring from the People's Republic of China; A-570-970; New Shipper Review for Dongtai Zhangshi Wood Industry Co., Ltd.; Clarification of Company Name," dated July 10, 2015.

<sup>&</sup>lt;sup>3</sup> See Zhangshi Initiation Request at Exhibit 3; see also Muyun Initiation Request at Exhibit 1.

<sup>&</sup>lt;sup>4</sup> See id.

<sup>&</sup>lt;sup>5</sup> See id.

Muyun also certified that their export activities were not controlled by the central government of the PRC.<sup>6</sup>

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), Zhangshi and Muyun submitted documentation establishing the following: (1) the date on which each company first shipped multilayered wood flooring for export to the United States and the date on which the multilayered wood flooring was first entered, or withdrawn from warehouse, for consumption; (2) the volume of its first shipment; and (3) the date of its first sale to an unaffiliated customer in the United States.<sup>7</sup>

The Department conducted U.S. Customs and Border Protection ("CBP") database queries and confirmed that Zhangshi and Muyun's shipments of subject merchandise had entered the United States for consumption and that liquidation of such entries had been properly suspended for antidumping duties. The Department also confirmed by examining CBP data that Zhangshi and Muyun entries were made during the POR specified by the Department's regulations.<sup>8</sup>

## Period of Review

Pursuant to 19 CFR 351.214(c), an exporter or producer may request a new shipper review within one year of the date on which its subject merchandise was first entered. Moreover, 19 CFR 351.214(d)(1) states that if the request for the review is made during the six-month period ending with the end of the semiannual anniversary month, the Secretary will initiate a new shipper review in the calendar month immediately following the semiannual anniversary month.

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<sup>&</sup>lt;sup>6</sup> See id.

<sup>&</sup>lt;sup>7</sup> See Zhangshi Initiation Request at Exhibit 1; see also Muyun Initiation Request at Exhibit 2.

<sup>8</sup> See July 21, 2015, Memoranda to the File, regarding "U.S. Customs and Border Protection Data" for Zhangshi and Muyun; see also Memorandum to the File entitled, "Initiation of Antidumping New Shipper Review of Multilayered Wood Flooring from the People's Republic of China: Dongtai Zhangshi Wood Industry Co., Ltd." ("Zhangshi Initiation Checklist") dated concurrently with this notice; Memorandum to the File entitled, "Initiation of Antidumping New Shipper Review of Multilayered Wood Flooring from the People's Republic of China: Huzhou Muyun Wood Co., Ltd." ("Muyun Initiation Checklist") dated concurrently with this notice.

Further, 19 CFR 315.214(g)(1)(i)(B) states that if the new shipper review was initiated in the month immediately following the semiannual anniversary month, the POR will be the six-month period immediately preceding the semiannual anniversary month. Within one year of the dates on which their multilayered wood flooring was first entered Zhangshi and Muyun made the requests for new shipper reviews in June, which is the semiannual anniversary month of the Order. Therefore, the Secretary must initiate these reviews in July and the POR is December 1, 2014, through May 31, 2015.

## Initiation of New Shipper Reviews

Pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(b), and the information on the record, the Department finds that the requests submitted by Zhangshi and Muyun meet the threshold requirements for initiation of new shipper reviews for the shipments of multilayered wood flooring from the PRC produced and exported by these companies. However, if the information supplied by Zhangshi and Muyun is later found to be incorrect or insufficient during the course of this proceeding, the Department may rescind the review or apply adverse facts available pursuant to section 776 of the Act, depending upon the facts on record. The Department intends to issue the preliminary results of these new shipper reviews no later than 180 days from the date of initiation, and the final results no later than 90 days from the issuance of the preliminary results. 10

It is the Department's usual practice, in cases involving non-market economies, to require that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate provide evidence of de jure and de facto absence of government control over the company's export activities. Accordingly, the Department will issue questionnaires to

<sup>&</sup>lt;sup>9</sup> <u>See</u> Zhangshi Initiation Checklist; <u>see</u> <u>also</u> Muyun Initiation Checklist.
<sup>10</sup> <u>See</u> section 751(a)(2)(B)(iv) of the Act.

Zhangshi and Muyun which will include a section requesting information with regard to these companies' export activities for separate rates purposes. The review of each exporter will proceed if the response provides sufficient indication that it is not subject to either <u>de jure</u> or <u>de facto</u> government control with respect to its export of subject merchandise.

The Department will instruct CBP to allow, until the completion of the review, at the option of the importer, the posting of a bond or security in lieu of a cash deposit for each entry of the subject merchandise from Zhangshi and Muyun, in accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e). Because Zhangshi and Muyun certified that they produced and exported the subject merchandise, the Department will apply the bonding privilege only for subject merchandise that the respondent both produced and exported. To assist in its analysis of the bona fides of Zhangshi and Muyun's sales, upon initiation of this NSR, the Department will require Zhangshi and Muyun to submit on an ongoing basis complete transaction information concerning any sales of subject merchandise to the United States that were made subsequent to the POR.

Interested parties requiring access to proprietary information in these new shipper reviews should submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 19 CFR 351.306.

This initiation and notice are in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214 and 19 CFR 351.221(c)(1)(i).

Dated: July 21, 2015.

Christian Marsh,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

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